Preserve

App. F. IX-4

1934-37

File No. 037/34

Serial Nos. 647

Previous References

CS 205-34-(1-5) (cc 44-34)
" " 9-12 (cc 46-34)
" " 8 (cc 45-34)

Later References.

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 647

Part B for Dec. 1933

SUBJECT

IV Plan regarding mutual trade between States and neighbouring Powers and ultimately Europe

WD 01965—GPB—15,000—7-7-34

CS 1975

GENERAL AND REVENUE SECRETARIAT,

Dated, Bangalore, 25th February 1934.

D.O. No. A.

DEWAN'S OFFICE
2 MAR. 1934
No. 5536

CS 20534-6

Dear Colonel Plowden,

Sir Mirza, before he went on tour last night, desired me to forward to you a note regarding subjects with which States and neighbouring Provinces are intimately connected and in regard to which policies adopted by a Province would be liable to have reactions in the States. I am accordingly sending the enclosed note, and trust it may be of some assistance.

Yours sincerely,
(Sd.) K. Matthan,
Member of Council.

"COPY"

RG 26/2/34
Chief Secretary to Govt.

To be submitted for Dewan's perusal after he returns from tour

Secy RG 1/3/34

27-2-34

Dewan

MJ 2-3-34

RR 5/3

According to the proposals contained in the White Paper, the authorities to whom the States have chiefly to look for the protection of their rights are the Viceroy, in matters outside the constitution, and the Federal Courts, in questions arising from the Constitution Act and the Treaties of Accession in connection therewith. In addition, the Governor General and Provincial Governors within their respective spheres, are charged with a special responsibility in respect of the protection of the rights of any State - and are invested with powers of legislation as well as of executive action requisite for the discharge of such responsibility. The object of placing this special responsibility on the Provincial Governors is thus explained:

"Policies might be proposed or events arise in a province which would tend to prejudice the rights of a neighbouring State. In such cases it is evident that it must be open to the Crown, through the Governor, to ensure that the particular course of action is so modified as to maintain the integrity of rights enjoyed by the State by Treaty or otherwise."

In making this proposal, the British Government had mainly in view the possibility of subversive agitation or activities being carried on against a State by its own subjects or by ~~the~~ British subjects, using British India as a base. The States Protection Bill is intended to give the States protection against such activities, and the enforcement of its provisions in a fair and judicious manner will obviously constitute one of the special responsibilities of the Governor.

The growing provincialism of the Local Governments and Legislatures is apt to disturb the good relations which ought to subsist between the members of the Federation. In regard to public employment, recognition of medical and professional qualifications, a tendency is already perceptible in certain provinces to discriminate against the subjects and educational institutions of the States. If this tendency is carried, as may not be impossible in the future, to extreme lengths, occasions will often arise for the intervention of the Governor: Such intervention ~~would seem to be~~ all the more necessary because the protection afforded to British subjects against discriminatory legislation (proposals 122 and 123) does not extend to the subjects of Indian States.

It has been said by the Secretary of State in his evidence before the Joint Select Committee that if a Provincial Government or legislature were to adopt measures which would threaten the economic existence of a State, it would be proper for the Governor to intervene in discharge of his special responsibility. It seems desirable, however, that the trend of fiscal legislation in the Provinces, even if it did not involve such grave consequence, should be watched with reference to its possible effect on the interests of the Indian States and their subjects, and in order to ensure that the existing understandings in such matters as relief from double taxation are not disregarded.

Apart, however, from the exercise of his special responsibility, the Governor may use his good offices in order to obviate or facilitate the settlement of disputes that might otherwise require a reference to the Viceroy or to

to the Federal Court, for example, disputes regarding boundaries, disputes regarding the use of rivers for irrigation, generation of power etc.

In matters of day to day administration like the following, the vigilance and influence of the Governor would help to smoothen difficulties and promote good understanding between the Provincial and State authorities:-

Suppression of organised crime and control of criminal gangs settled on the frontier.

Extradition of criminals.

Taxation and licensing of motor vehicles on roads passing through a State and Province.

Administration of religious endowments in cases where the endowed lands are in a State and the institution for which they are endowed is in British India or vice versa.

Fiscal exemptions allowed as a matter of courtesy to Rulers of States.

Management of properties held in British India by the States or their Rulers.

D.O.No.1611

27th February 1934.

Dear Diwan Bahadur.

I am desired by the Hon'ble the Resident to thank you for the note enclosed with your letter of 25th February regarding subjects with which States and neighbouring Provinces are intimately connected. I am to say that Colonel Plowden is very much obliged to you for the trouble you have taken in this matter.

Yours sincerely

C. G. Edmonds

Diwan Bahadur K. Matthan, B.A.,
Member of Council, BANGALORE.

Seen by Member.
28/2

Sir,

This may perhaps be returned to Alwar's office for being filed along with original papers, (with Mr M.R. Varadarajan)

Yours -

(Not necessary. Please bring together all papers & debarring on such matters, a memo a lot for ready reference)

CP 24/3